

FOR IMMEDIATE RELEASE:

February 18, 2003

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ROMNEY CONVENES AFFORDABLE HOUSING TASK FORCE

Panel to assess the impact of Chapter 40B on cities and towns

With nearly 70 different legislative changes already proposed this year to the Commonwealth's affordable housing law, Governor Mitt Romney today named a 24-member task force to assess the effectiveness of the law and recommend improvements that will spur the creation of more housing.

"In order to maintain long-term economic growth and prosperity, we must attract and retain talented people to live and work in Massachusetts," said Romney. "To do that, we must not only work harder, but we need to work smarter, to increase the state's housing supply and have it affordable to those across a broad range of incomes."

Chapter 40B, as the affordable housing law is better known, was first put in place in 1969 to encourage cities and towns to build more affordable housing. Under the law, if a community has less than 10 percent of its permanent housing stock affordable to low- and moderate-income families, certain local zoning regulations can be overridden if 25 percent of a proposed development includes affordable units. Currently, only 31 of the Commonwealth's 351 cities and towns meet the 10 percent threshold.

Romney said while the 33-year-old Chapter 40B law has created more than 30,000 affordable homes in the Bay State, it needs a comprehensive review, noting that Massachusetts still has some of the highest cost housing of any state in the nation.

The task force, chaired by Housing and Community Development Director Jane Gumble, will be comprised of legislators and state housing and municipal officials as well as other stakeholders, including those representing development and environmental concerns.

Romney charged the panel with reviewing the effectiveness of Chapter 40B in

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-page two-

increasing the state's housing supply for people who earn 80 percent or less of the area median income. He also asked them to identify the impact of 40B projects on the state's cities and towns, determining the public benefits of those developments. In addition, the task force will develop improvements to the law itself.

Other issues under consideration by the task force may include a fresh examination of the criteria for site approval for 40B developments as well as local and state handling of the approval, review and permitting process. Rewards for communities that increase their housing supply may also be considered.

Over the last year-and-a-half, the state Department of Housing and Community Development has made 15 significant regulatory changes to Chapter 40B to address legitimate concerns raised by communities while still maintaining the statute's essential commitment to increase the supply of affordable housing across the Commonwealth.

Guidelines for the most recent regulatory change were announced today, which creates state oversight for projects funded by non-governmental programs such as the Federal Home Loan Bank's (FHLB) New England Fund (NEF) program.

The new guidelines will address past criticism from communities by creating a predictable and state controlled process for use of those funds in conjunction with comprehensive permit projects. In doing so, it will trigger the reopening of the New England Fund (NEF) program, which is a significant financial resource for housing development. Last summer, the FHLB voluntarily suspended operation of the NEF while details of DHCD's new regulations were formulated.

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See attached list of Task Force Members

CHAPTER 40B TASK FORCE MEMBERS

Jane Wallis Gumble, Chair, Director, Department of Housing and Community Development

Tom Gleason, Executive Director, MassHousing

Clark Ziegler, Executive Director, Massachusetts Housing Partnership

Senator Harriet Chandler, Chair, Senate HUD Committee

Senator Bruce Tarr, HUD Committee

Senator Susan Tucker, HUD Committee

Senator Diane Wilkerson

Representative Michael Coppola

Representative Robert Fennell, Vice-Chair, HUD Committee

Representative Kevin Honan Chair, HUD Committee

Representative Harriet Stanley

Mayor Sharon Pollard, City of Methuen

Mike Jaillet, Chair, MMA Housing subcommittee, Westwood Town Manager

Al Lima, Planning Director, City of Marlborough

Mark Bobrowski, municipal consultant, Professor, Suffolk Law School

Kathleen O'Donnell, Attorney, Kopelman & Paige

Howard Cohen, Board Member, CHAPA

Bill McLaughlin, President, Rental Housing Association

Jeff Rhuda, Homebuilders Association of Massachusetts

Steve Dubuque, President, Massachusetts Non-Profit Housing Association

Gwen Pelletier, Board Member, Massachusetts Association of CDC's

Bennet Heart, Attorney, Conservation Law Foundation

Marc Draisen, Executive Director Metropolitan Area Planning Council

Jack Clarke, Director of Advocacy, Massachusetts Audubon Society